

Message Text

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ACTION EUR-12

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TO SECSTATE WASHDC PRIORITY 9240
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E.O.11652: N/A
TAGS: ELAB, SP
SUBJECT: NEW DECREE ON LABOR RELATIONS

SUMMARYM A DECREE LAW DEALING WITH SUCH LABOR MATTERS AS
THE RIGHT TO STRIKE DISMISSALS, AND COLLECTIVE BARGAINING
WAS APPROVED BY THE COUNCIL OF MINISTERS ON MARCH 4. PER-
HAPS MOST SIGNIFICANT WAS THE LIBERALIZATION OF LABOR'S
RIGHT TO STRIKE AND MANANGEMENT'S RIGHT TO FIRE. PRELIMINARY
TRADE UNION COMMENT HAS BEEN PREDICTABLY UNFAVORABLE
EVEN THE MOST PRO LABOR MEASURES WOULD RECEIVE A PUBLIC
COLD SHOULDER FROM LABOR AS LONG AS THE OPPOSITION TRADE
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UNIONS REMAIN ILLEGAL AND THE OFFICIAL CERTICAL STRUCTURE
REMAINS INTACT. END SUMMARY.

1. A DECREE LAW ON LABOR RELATIONS WAS AN IMPORTANT
ELEMENT OF THE "PACKAGE" APPROVED BY THE COUNCIL OF MINISTERS
ON MARCH 4, (SEE ALSO MADRID 1705). THE DECREE WAS
CHARACTERIZED BY THE GOVT AS AN EFFORT TO LIBERALIZE LABOR

RELATIONS AND HARMONIZE COMPETING INTERESTS "WITHIN A MARKET ECONOMY AT THE SERVICE OF OUR SOCIETY AND THE NEW POLITICAL MODEL." ALTHOUGH THE TEXT HAS YET TO BE RELEASED, THE DECREE DEALS WITH A) THE RIGHT TO STRIKE B) COLLECTIVE BARGAINING DISPUTES, C) COLLECTIVE BARGAINING AGREEMENTS (CBA'S). D) REGULATORY PROCEDURES E) DISMISSALS F) RESTRUCTURING OF PLANT WORK FORCES, AND G) GUARANTEED SALARY FUND. THE PRINCIPAL PROVISIONS ARE HIGHLIGHTED BELOW.

2. PERHAPS MOST SIGNIFICANT WERE MODIFICATIONS OF THE RIGHT TO STRIKE "ALONG THE LINES OF STRIKE LEGISLATION IN OTHER WEST EUROPEAN NATIONS". THE WORKERS THEMSELVES (THROUGH THEIR REPRESENTATIVES ARE TO DECIDE ON STRIKE ACTION AND THE CREATION AND OPERATION OF STRIKE COMMITTEES IS RECOGNIZED. HOWEVER, THE RIGHT TO STRIKE IS LIMITED BY "THE HIGHER INTERESTS OF THE COMMUNITY AND THE COUNTRY", AND SLOWDOWN STRIKES AND POLITICAL STRIKES REMAIN ILLEGAL. SPECIAL PROVISIONS WILL APPLY TO STRIKES IN THE PUBLIC SERVICE SECTOR. MANAGEMENTS LOCK OUT RIGHTS ARE ALSO DEFINED, AS IS THE RIGHT TO FIRE A WORKER (LIBERALIZED)

3. IN THE LATTER INSTANCE, A DISTINCTION IS MADE BETWEEN DISMISSAL FOR CAUSE ON THE ONE HAND, AND FOR INEPTITUDE OR NEEDS OF THE COMPANY ON THE OTHER. IN BOTH CASES, HOWEVER SPECIAL PROTECTION IS ACCORDED SHOP STEWARDS AND OR TRADE UNION OFFICIALS. FINALLY MODIFICATIONS WERE INSTITUTED WITH RESPECT TO THE COLLECTIVE BARGAINING PROCESS, THE STATED RULE OF THUMB BEING TO ACCENTUATE THE ROLE OF PRIVATE COLLECTIVE BARGAINING AND DOWN PLAY THE GOVT ROLE IN LIMITED OFFICIAL USE

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LABOR MANAGEMENT RELATIONS, LABOR MINISTER ALVARO REGIFO DURING THE COURSE OF A TV INTERVIEW ON MARCH 4, EXPLAINED HOWEVER THAT THESE MODIFICATIONS ARE NECESSARILY "PROVISIONAL". IN VIEW OF THE CURRENT LABOR REFORM PROGRAM (READ LEGALIZATION OF TRADE UNIONS EXPECTED TO FINALLY COME ABOUT BY MONTH'S END). WHICH WILL USHER IN "A NEW TRADE UNION STRUCTURE".

4. PRELIMINARY UNION COMMENT ON THE NEW LABOR DECREE HAS BEEN UNFAVORABLE. ACCORDING TO THE WIRE SERVICE CIFRA (MARCH 6) ALL THE UNIONS CONSULTED POINTED OUT THAT THE DECREE WAS ELABORATED "UNILATERALLY BY THE GOVT BEHIND THE BACK OF THE WORKERS. THE MOST CRITICIZED POINT RELATED TO THE "RESTRICTIONS" ON THE RIGHT TO STRIKE WITH THE UNIONS WANTING "A PURE AND SIMPLE ACCEPTANCE OF THE RIGHT TO STRIKE WITHIN THE LIMITATIONS OF THE PENAL CODE, AS IN OTHER DEMOCRATIC NATIONS". LIBERAL LEFT EL PAIS (MARCH 6) ALSO CARRIED SEC GEN ZUFIAUR'S (CHRISTIAN SOCIALIST USO) STATEMENT BEFORE THE IOL SPONSORED EAST WEST EUROPEAN TRADE UNION MEETING, DENOUNCING THE LATEST GOVT MEASURES

" IN THE NME OF SPANISH LABOR".

5. COMMENT LABORS NEGATIVE REACTION WAS PREDICTABLE
EVEN THE MOST PRO LABOR MEASURES WOULD RECEIVE A PUBLIC COLD
SHOULDER FROM LABOR AS LONG AS THE OPPORITION TRADE UNIONS
REMAIN ILLEGAL AND THE OFFICIAL VERTICAL STRUCTURE (SSO)
REMAINS INTACT. SOCIALIST UGT AND OTHER FREE LABOR
SOURCES HAVE TOLD US THAT IN THE LABOR FIELD, THEY BELIEVE
THE SUAREZ GOVT SHOULD BASICALLY LIMIT ITSELF TO GETTING
THE LEGALIZATION BILL THROUGH THE CORTES PERIOD. HALFQAY
AND ADMITTEDLY "PROVISIONAL MODIFICATIONS" SUCH AS THIS
LATEST LABOR DECREE SHOULD BEETER BE LEFT ALONE BY THE
"TRANSITION", CARETAKER SUAREZ REGIME" LEAVING IT TO A FREELY
ELECTED GOVT AND PARLIAMENT TO PASS AUTHRNTICALLY DEMOCRATIC
LABOR LEGISLATION. WE WOULD ADD THAT THIS DECREE IS A
COMPLEZ SERIES OF MEASURES MODIFYING VARIOUS EXIISTING
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LABOR LAWS. THERE IS LITTLE REASON TO BELIEVE THAT THE LABOR
SECTOR WILL PAY MUCH MORE ATTENTION TO THE LATEST STRIKE
REGULATIONS (THOUGH LBERALIZED), FOR EXAMPLY, THAT THEY
DID TO THE LAST 1975 STRIKE LEGISLATION.EATON

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